



Town of
**SOUTH BRUCE
PENINSULA**

FS01-11

AUDIT SERVICES

**For the annual audit of the financial statements
for the Town of South Bruce Peninsula.**

Closing Date: 2:00 P.M, September 26, 2011

REQUEST FOR PROPOSAL

FS01-11

AUDIT SERVICES

Respondents are required to provide three (3) copies of the Proposal in a sealed, clearly marked envelope, including the prescribed form(s) as instructed. Proposals are to be delivered to Tracey Neifer, Manager of Financial Services, Town of South Bruce Peninsula, Box 310, 315 George St., Wiarton, Ontario, N0H 2T0, no later than 2:00 P.M. LOCAL TIME on **Monday, September 26, 2011**.

The goal of this Request for Proposal is to select the best public accounting firm to complete the annual audit of the financial statements for the Town of South Bruce Peninsula, hereby referred to as the “Town”.

All submissions should provide sufficient information to permit the Town to reach an accurate assessment of the quality of the submission.

The Request for Proposals will be evaluated based on a combination of qualifications and fees (refer to evaluation criteria).

Proposal submissions will include a detailed description of the audit firm technical qualifications and approach, audit personnel technical qualifications, staff work hours allocation summary, fees and related expenses, and a timeline for completion of the audit and related services.

The Town is not liable for any cost associated with the preparation of the Proposal or any other costs incurred by any Proponent prior to the execution of the audit engagement.

Proposals received after the deadline, whether delivered personally, or by mail, regardless of postal markings, will not be opened. Fax or electronic (email) submissions will not be accepted. The onus is on the respondent to ensure that the Proposal is received at the proper location and before the closing time.

Documents may be obtained from the Town of South Bruce Peninsula, Box 310, 315 George St., Wiarton, Ontario, N0H 2T0 or Proponents may choose to have a PDF document emailed. Please contact Tracey Neifer, Manager of Financial Services at 519-534-1400, Ext. 106 or tsbpfinance@bmts.com to arrange for the Request for Proposal document, containing:

- 1.0 Instructions for Proponents
- 2.0 Terms of Reference
- 3.0 Financial Proposal
- 4.0 Proponents Declaration

1.0 INSTRUCTIONS TO PROPONENTS

1.1 Communications

All questions relating to this Request for Proposal, or for clarification on completing the Proposal Form, are to be directed in a letter or an email to:

Tracey Neifer, Manager of Financial Services
Town of South Bruce Peninsula
Box 310, 315 George St., Warton, ON
N0H 2T0
Tel: (519) 534-1400 Ext. 106
tsbpfinance@bmts.com

The DEADLINE for all queries or questions is **12:00 P.M., September 20, 2011**. If required, addenda will be issued.

It shall be understood and acknowledged that while this RFP includes specific requirements and specifications, minor items or details not herein specified, but obviously required for the Audit shall be provided as if specified in conformance with modern practices. Any omission or errors or misinterpretation of these requirements and specifications within the Proposal shall not relieve the Proponent of the responsibility of providing the goods or services as aforesaid.

Proposal shall mean this Request for Proposal and any/all addendum/addenda, completed and returned in accordance with the foregoing, together with all other documents required herein. If a Proponent discovers any inconsistency, discrepancy, ambiguity, error or omission in this Request for Proposal, he/she must notify the Town immediately in writing. It is the responsibility of the Proponent to seek clarification of any matter that they consider unclear before submitting a response. The Town is not responsible for any misunderstanding of the Request for Proposal on the part of the Proponent.

No oral interpretations shall be made to a Proponent as to the meaning of any of the Proposal requirements, or be effective to modify any of the provisions of the proposal document.

No representative of the municipality, its employees, agents, or any other expert advisor associated with the Proposal shall be contacted by the Proponent during the preparation of their response to the Request for Proposal except as noted above. Any attempt to influence the evaluation and selection process may result in immediate disqualification of the Proponent. Any attempt to bypass the purchasing process is grounds for rejection of the Proponent's submission.

1.2 Eligibility

Before submitting a proposal for the provision of audit services, candidates are advised to ensure that their firm can meet the following criteria:

The firm MUST:

- Hold a valid license as a public accountant under the Public Accountancy Act.



- Qualify within the terms outlined in Section 296 of the Municipal Act, of Ontario.
- Have recent Ontario municipal audit experience, within the last five years, and demonstrate comprehensive knowledge of provincial municipal financial reporting and legislation governing municipal operations.
- Have well-developed professional auditing techniques and a sound system of control and review of audit work performed.
- Have expertise and resources available to address the scope of audit services required in an expeditious manner and within the required timeframes.

Firms which cannot meet these minimum requirements should not submit a proposal for audit services.

1.3 Anticipated Schedule

RFP issued	September 12, 2011
Deadline for questions	September 20, 2011
Closing Date	September 26, 2011
Committee of the Whole – Delegation if requested	October 4, 2011
Committee of the Whole – Award of Audit Firm	October 18, 2011

1.4 Proposal Submissions

Sealed Proposals (three copies), no later than 2:00 P.M. LOCAL TIME **September 26, 2011**.

The envelope must be sealed and clearly marked:

Town of South Bruce Peninsula
Proposal for Audit Services
 Attention of: Tracey Neifer, C.A.
 Manager of Financial Services
 Town of South Bruce Peninsula
 Box 310, 315 George Street, Wiarton, Ontario, N0H 2T0

Proposals received after the scheduled closing date and time will not be accepted. The Town is not obligated to accept the lowest price, highest scored or any Proposal.

Proposals that do not comply strictly with the terms and conditions hereof may be declared informal and/or disqualified. Proposals that are incomplete, conditional, obscure or qualified will be rejected.

Your signed Proposal Submission shall be taken as your statement that you understand the requirements and agree to comply with the requirements and any supplementary terms and conditions stated in the Proposal Documents. Your signed Proposal Submission confirms that you have checked and confirmed your pricing and by signing the Proposal Submission form, you agree that you have not omitted any items from your Proposal and you will be bound by law to supply the services as specified at the prices proposed.

If a Proposal is a joint submission of two (2) or more firms, a single proposal is to be coordinated and submitted by the lead consultant with the required information. However, all contributing firms shall be noted in the submission as noted herein.

To facilitate the review and evaluation of the proposals, all proposals shall include, as a minimum, the following:

1.4.1 Audit Firm Technical Qualifications and Approach

- a) The profile of the firm (indicate which office will be assigned to the audit).
- b) A sample list of the firm's current and prior municipal audit clients, indicating type(s) of services performed and number of years served for each.
- c) The names and phone numbers of senior staff of these municipalities that may be contacted as references.
- d) The firm's experience in providing auxiliary services.
- e) An estimate of the number of hours that are anticipated to be required for the annual audit.
- f) The firm's quality control procedures and supervisory and review procedures intended to be employed in the conduct of the Town's audit.

1.4.2 Audit Personnel Technical Qualifications

- a) Describe the experience in municipal audits of the senior, manager/supervisor and audit partners assigned to the audit including years on each job and their position on the audit.
- b) Describe the relevant educational background of each individual assigned to the audit. This should include seminars and courses attended within the past three years.
- c) Describe any specialized skills, training or background in public finance by assigned individuals. This may include participation in municipal or provincial consulting assignments, speaker or instructor rolls in conferences or seminars or authorship of articles and books.

1.4.3 Fees and Expenses

The proposal should include a firm fixed quotation for the fees to be charged for the audit for each year from 2011 to 2015. Out of pocket expenses must be included, but shown separately, in the audit fees quoted in this proposal call.

The fee estimate should show the estimate of hours broken down between the various responsibilities which are perceived to be required and showing the category of staff assigned to each of the responsibilities.

An indication should be given in the Proposal as to how fees for special audit work would be costed.

If it should transpire that less time is required to perform the audit than anticipated, it is expected that a reduction will be given to the Town.

The hourly fee shall also be provided for any additional service outside of the audit assignment. Any additional service outside the audit fee is to be approved by the Manager of Financial Services and/or the Coordinator of Revenue and Information Systems and/or Council.

1.4.4 Timeline

The proposal should include a timeline that addresses each of the deliverables as noted in this proposal.

1.4.5 Advisory Services and Publications

Information should be included in the proposal regarding any advisory services, which may be available free of charge on routine matters. These may include staff assistance and/or publications relating to sales tax, pension reforms, federal and provincial budgets, income tax, employee benefit plans, internal audit, financial systems, computer systems, cash management, etc.

1.5 General

Failure to comply with any of the requirements of any and all of the Request for Proposal Call may cause a Proponent to be declared improper and therefore rejected. By submitting a Proposal, the Proponent agrees to the conditions herein.

1.6 Intent

The Town of South Bruce Peninsula is seeking proposals from qualified Proponents to complete that annual audit of the financial statements for the Town of South Bruce Peninsula.

The successful Proponent will provide at its sole cost and expense, all staff, equipment, goods, materials, tools, resources, accommodations, and technical assistance and any incidentals and assume all overhead expenses necessary to perform the services required in accordance with the work outlined herein. The Town of South Bruce Peninsula reserves the right not to enter into the engagement due to the lack of availability of funding.

1.7 Receipt of Submissions

Proponents shall be solely responsible for delivery of their Proposals in the manner and time described in the Instructions to Proponents. Fax and electronic submissions will NOT be accepted.

1.8 Withdrawal

Proponents may only withdraw their unopened submission (prior to the closing time of proposals) provided the request to do so is received in writing by the Designated Official of the Town, signed by an authorized agent of the Proponent, prior to the closing time specified for the receipt of Proposals. If more than one Proposal has been received under the same name for the same engagement and no withdrawal notice has been received, the submission contained in the envelope bearing the latest date and time stamp shall be considered the intended Proposal. All others shall be considered withdrawn.

1.9 Designated Official

For the purpose of this Proposal, the Manager of Financial Services (MFS) or designate, is the “Designated Official” and shall perform the following functions - releasing, recording and

receiving all Proposal Documents; opening, recording and checking of Proposals; considering extensions of time, ruling on the acceptance of those Proposals not completely meeting the requirements of this Request for Proposal. If necessary Town staff will prepare a report and recommendations to Council as required by the Purchasing By-law.

1.10 Pricing and Taxes

- (a) Prices shall be in Canadian Funds, quoted separately for each item where stipulated
- (b) Prices shall be firm for the duration of the Engagement
- (c) The Proposal Price must include all incidental costs and the Proponent shall be deemed to be satisfied as to all the full requirements of the Request for Proposal call
- (d) All prices quoted shall include all charges of every kind attributable to the Engagement
- (e) SALES TAX- All applicable taxes will be considered to be included in the Proposal price submitted by the Proponent; H.S.T shall be stated separately as set out in the Financial Proposal
- (f) Any extra charges not specified will not be paid

1.11 Discrepancies

Should a Proponent find discrepancies prior to the closing date or omissions from the Documents, or is in doubt as to their meaning, such Proponent should notify the MFS or designate as soon as possible but no later than **12:00 P.M. on September 20, 2011**. The Town will issue in writing any changes/additions/deletions to specifications, terms of reference, scope of work and/or Proposal terms and conditions. Any and all addendum/addenda issued prior to the closing date shall form part of the document. The cost of complying with the addendum/addenda requirement (if any) shall be included in the price. The Town will assume no responsibility for oral instruction or suggestion.

1.12 Approvals / Acceptance / Award

All Proposals as described herein are subject to the approval of the Town as required under the Purchasing By-Law. The award shall also be subject to the approval of Council and the availability of funding. The Proposal is irrevocable and open for acceptance by the Town for a period of ninety (90) calendar days after the date and time set for submission of Proposals. The Town may at any time within the above ninety (90) calendar day period accept the Proposal, whether or not any other Proposal has previously been accepted.

Neither the issuance of this Document nor the acceptance of a reply shall constitute any obligation or imply any commitment on the part of the Town. Award of this Proposal call shall be as recommended by Town staff and as approved by Council. In the evaluation of Proposals, it is understood by the Proponent that the Town reserves the right to accept or reject any or all Proposals, in whole or in part, for any reason whatsoever, and to accept any Proposal if, upon evaluation analysis, it is considered to be in the Town's best interest. Award of the Engagement in its entirety or in part shall be in accordance with Town requirements.

1.13 Reserved Rights of The Town



The Town reserves the right, in its sole discretion, to:

- a) issue an award for the work in whole or in part, or
- b) refrain from making an award if it determines that to be in its best interest, or not make an award to the highest scored compliant Proponent, or any Proponent, if it is determined by the Town that the costs of completing the work exceeds budgetary constraints.
- c) make public the names of any or all Proponents;
- d) reject a Proponent's Proposal on the basis of:
 - a financial analysis determining the actual cost of the Proposal when considering factors including but not limited to quality, service, price and transition costs arising from the delivery of the required services;
 - information provided by references;
 - the Proponent's past performance on previous contracts awarded by the Town;
 - the information provided by a Proponent pursuant to the Town exercising its clarification rights under this Request for Proposal (RFP) process; or
 - other relevant information that arises during the RFP process;
- e) waive formalities and accept Proposals which substantially comply with the requirements of this RFP;
- f) check references other than those provided by a Proponent;
- g) disqualify any Proponent whose Proposal contains misrepresentations or any other inaccurate or misleading information, or any qualifications;
- h) disqualify any Proponent or the Proposal of any Proponent who has engaged in conduct prohibited by this RFP;
- i) make changes, including substantial changes, to this RFP provided that those changes are issued by way of addenda in the manner set out in this RFP;
- j) cancel this RFP process at any stage;
- k) cancel this RFP process at any stage and issue a new RFP for the same or similar deliverables;
- l) accept any Proposal in whole or in part;
- m) if a single Proposal is received, reject the Proposal of the sole Proponent and cancel this RFP process or enter into direct negotiations with the sole Proponent; or
- n) reject any or all Proposals in its absolute discretion.

These reserved rights are in addition to any other expressed rights or any other rights which may be implied in the circumstances. The Town shall not be liable for any expenses, costs or losses suffered by any Proponent or any third party resulting from the Town exercising any of its expressed or implied rights under this RFP.

1.14 Errors & Omissions

It is understood and acknowledged that while the Request for Proposal includes specific requirements, a complete review and recommendation is required. Minor items, not herein specified, but obviously required, shall be provided as specified. Any misrepresentation of the requirements within this Proposal shall not relieve the successful Proponent of the responsibility of providing the services/products as aforesaid.

1.15 Qualifying of Proposals

Proponents are cautioned against qualifying their submissions in any manner whatsoever as this may result in their Proposal being rejected.

1.16 Waiver

The Town does not accept responsibility for any information or any errors or omissions which may be contained in this Request for Proposal or the data, materials or documents disclosed or as provided to the Proponents pursuant to this Request for Proposal. The Town makes no representation or warranty, either expressed or implied, in fact or in law with respect to the accuracy or completeness of this Request for Proposal or such data, materials or Documents and the Town shall not be responsible for any actions, costs, losses or liability whatsoever arising from any Proponent's reliance or use of this Request for Proposal or any other technical or historical data, materials or documents provided by The Town. The Proponent is responsible for obtaining its own independent financial, legal, accounting and technical advice with respect to any information included in the Request for Proposal or in any data, materials, or documents provided or required by the Town.

1.17 Conflict of Interest

The Proponent shall provide a statement that clearly identifies that the Proponent has no conflicts of interest with respect to other work and/or other clients as they relate to the Town.

1.18 Legal Claims

The Town reserves the right in the appropriate circumstances, to reject any quotation, any bid, any Proposal if the Proponent, or any officer or director of the Proponent, is engaged, either directly or indirectly through another corporation, in a legal proceeding adverse to the Town, its elected or appointed officers and employees.

The term "legal proceedings adverse to the Town" is limited to:

- criminal prosecution proceedings to enforce Town by-laws or to enforce contraventions in the Town of other applicable legislation, or
- civil proceedings where a statement of claim or counterclaim or cross claim or other similar document has been issued against the Town.

Proponents will be required to demonstrate that they are in compliance with the requirements of any applicable authority which is licensing, regulating or approving the activities which relate to the request for proposal.

1.19 Disqualification of Proponents

More than one Proposal from an individual firm, partnership, corporation or association under the same or different names will not be considered unless the Proposal shall be supplied under a "joint" agreement and so declared on the Proposal submission.

1.20 No Collusion

In participating in this Request for Proposal, the Proponent will not discuss or communicate, directly or indirectly, with any other Proponent or any servant, agent or representative thereof, respecting the preparation or presentation of their Proposal. Each Proponent's Proposal shall be submitted without any connection, knowledge, comparison of figures or arrangements with any other Proponent or servant, agent or representative thereof and each Proponent will be responsible to ensure that its participation in this process is conducted fairly and without collusion or fraud.

1.21 Freedom of Information

All information supplied to the Town becomes the property of the Town and is subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*. Please note the name and contact information of each Proponent, along with the total Proposal amount will be made public. Disclosure of any other information will be made in accordance with the Act. The Proponent must identify any information in its Proposal that is submitted in confidence.

1.22 Environmental Purchasing

The Town is committed to the principles of sustainable development and will, wherever practical, apply environmentally sound practices in fulfilling its mandate in the planning and provision of materials, services and programs. Proponents are encouraged to adopt and promote environmentally sound practices in and introduce environmentally sound goods, materials and services when dealing with the Town.

1.23 Misunderstandings and Disputes

In all cases of misunderstandings and disputes, verbal arrangements will not be considered, but the Proponent must produce written authority in support of their contentions, and shall advance no claim in the absence of such written authority, or use, or attempt to use, any conversation with any parties against the Town or in prosecuting any claim against the Town.

1.24 Cancellation

Failure by the successful Proponent to comply with all terms, conditions and general provisions of this Request for Proposal to the satisfaction of the Town shall be just cause for the cancellation of the Engagement award. The Town shall then have the right to award this Engagement to any other Proponent, or to re-issue the Request for Proposal.

1.25 Default

In the event that the successful Proponent fails to properly, promptly, and fully carry out the work required by these Documents, the Town reserves the right to notify the successful Proponent to discontinue all work under this Engagement, to advertise for new proposals or carry out the work in any way as the Town may, at its sole discretion, deem best.

1.26 Indemnification



1.26.1 The Proponent will indemnify and save harmless the Town, its employees, agents, successors, and assigns, from and against all actions claims and demands whatsoever which may be brought against or made upon the Town and against all losses, liability, judgments, claims, costs, demands or expenses which the Town may sustain, suffer, or be put to resulting from or arising out of the Proponent's failure to exercise reasonable care, skill or diligence in the performance or rendering of any work or service required hereunder to be performed or rendered by the Proponent.

1.26.2 Without limiting the generality of the foregoing, the Proponent hereby agrees to well and truly save, keep harmless and fully indemnify the Town, its employees, agents, successors and assigns, from and against all actions, claims and demands whatsoever which may be brought against or made upon the Town, its successors and assigns, for the infringement of or use of any intellectual property rights including any copyright or patent arising out of the reproduction or use in any manner of any plans, designs, drawings, specifications, information, negatives, data, material, sketches, notes, documents, memoranda, or computer software furnished by the Proponent in the performance of this contract.

1.27 Claims and Costs

All costs and expenses incurred by the Proponent relating to the Proposal submission and any negotiations with the Town will be borne by the Proponent. The Town is not liable to pay such costs or expenses or reimburse or compensate Proponents under any circumstances, including the rejection of any or all other Proposals. The Town will not accept responsibility for any delays or costs associated with any review or the approval process. No Proponent shall have any claim for any compensation of any kind whatsoever as a result of participating in this Request for Proposal and by submitting a Proposal, the Proponent shall be deemed to have agreed that it has no claim. The Proponent hereby releases and waives any claims for damages, including any claims for damages for fundamental breach, relating to this Request for Proposal.

1.28 Ownership of Submission of Material

The Proponent (by responding) releases all rights to the Proposal which, on acceptance by the Town, become the property of the Town.

1.29 Non-Assignment

It is mutually agreed and understood that the successful Proponent shall not assign, transfer, convey, sublet or otherwise dispose of their Engagement or their right, title or interest therein, or their power to execute the Engagement, to any other person, firm, consultant or corporation without the previous written consent of the Town.

1.30 Subcontractors

Since all Proponents must be qualified and experienced in this type of work, it will be necessary for the Proponent to verify that its sub proponents are similarly qualified and experienced in their specified area of work. Therefore, the Proponent is required to submit a list of sub proponents for

approval. Only those sub proponents named and approved at time of order may be used. Approval of sub proponents is at the sole discretion of the Town.

The successful Proponent shall be responsible to the Town for the acts and omissions of its sub proponents and of all persons directly or indirectly employed by it in connection with the work and shall be responsible for and shall ensure they obtain all necessary permits, licences, certificates, inspections and insurance in accordance with the work as may be required by laws, rules, regulations and codes related to the work and the contract documents. Nothing contained in the contract documents shall create any contractual relation between any sub proponent and the Town.

The Town reserves the absolute right to require the Proponent to use an alternate sub proponent where the sub proponent is in litigation adverse to the Town.

1.31 Legal Compliance

The Engagement resulting from the Request for Proposal shall be governed by, subject to and interpreted in accordance with the laws of the Province of Ontario. The successful Proponent will be also be required to comply with all local, municipal, provincial and federal license requirements, laws, regulations, ordinances and codes.

1.32 Insurance

The successful Proponent shall maintain and pay for **Comprehensive General Liability Insurance**. The coverage shall include premises and all operations liability to be performed by the Proponent, his/her employees, and/or agents. This insurance coverage shall be subject to limits of not less than Two Million Dollars (\$2,000,000.00) inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof for any one occurrence.

The policy of insurance described above shall:

- a. include the Town and others, if required, as an additional insured;
- b. contain a cross-liability clause;
- c. contain a severability of interests clause endorsement;
- d. provide that if cancelled or changed in any manner, thirty (30) days prior written notice by mail or facsimile transmission must have been given by the insurer to the Town failing which such cancellation or change shall be void as against the Town; and,
- e. be maintained in good standing without interruption during the entire period that services are provided pursuant to this agreement.

In addition, the successful Proponent shall carry **Professional Liability Insurance** in the amount of not less than Two Million Dollars (\$2,000,000.00) per occurrence.

The Insurance Policies shall not be altered, cancelled or allowed to expire or lapse, without thirty (30) days prior written notice to the Town. Proponents shall clearly identify in their Proposal the insurance requirements as outlined above. The Proponent will be entirely responsible for the cost of any deductible that is maintained in any insurance document.

1.33 Workplace Safety and Insurance Board, if applicable

The successful Proponent will be required to submit to the Town a valid WSIB Clearance Certificate stating that all assessments the Proponent is liable for under the Workplace Safety and Insurance Act have been paid. A WSIB Clearance Certificate shall be provided prior to commencement of the engagement and upon presentation of the final invoice.

If the Proponent is an independent operator, a Clearance Letter must be submitted to the Town from WSIB prior to the successful Proponent being paid.

1.34 Bankruptcy

In the event that, during the duration of the Engagement, the Proponent makes an assignment for the benefit of creditors, or becomes bankrupt or insolvent, or makes a proposal to its creditors, this agreement shall immediately be terminated, and the Town shall be entitled to enter into an Engagement with another party without the consent of the Proponent.

1.35 Patent, Copyright, or Other Proprietary Rights

In accordance with Municipal Freedom of Information and Protection of Privacy Act, Proponents are reminded to clearly identify in their Proposal material, any specific scientific, technical, commercial, proprietary, intellectual or similar confidential information, the disclosure of which could cause them injury or damage.

Proponents are encouraged to place all such detail and information within a separate section of their submission. Complete proposal details are not to be identified as confidential.

1.36 Performance Evaluation

Meetings between the successful Proponent and the Town may take place to discuss the successful Proponent's performance on an ongoing basis, and to follow up on any problem(s), which may have been discussed at prior meetings. The interval of these meetings will be at the Town's discretion and will be determined by the successful Proponent's performance.

1.37 Form of Agreement

The successful Proponent will enter into a written agreement in a form approved by the Town. Should negotiations with the successful Proponent be discontinued, the Town reserves the right to open discussions with other Proponents.

The sample agreement in the form of an Engagement Letter is attached for the Proponent's information. This sample letter will be modified appropriately once the successful Proponent is selected. (Attached draft form of agreement)

1.38 Information to be Provided by the Town

The following information relating to the engagement is available for review at Town Hall and on the Town's website under "Town Hall/Finance Department/Financial Statement". Copies will be supplied to the successful Proponent.



- 2010 Audited Financial Statements
- 2011 Approved Budget

The above information is provided but does not form part of the Request for Proposal and will not form part of the contract documents.

2.0 TERMS OF REFERENCE

2.1 Overview

The Council of the Town of South Bruce Peninsula is requesting proposals from duly licensed firms of Chartered Accountants for audit services for the Town.

The Town of South Bruce Peninsula is a lower tier municipality comprised of four wards representing the former Town of Warton, Township of Amabel, Township of Albemarle and the Village of Hepworth. The population is 8,400 with 3,400 private residences. The 2011 municipal tax levy was \$8,012,472. The Town employs approximately 129 employees, including 58 volunteer firefighters.

2.2 Term of Proposal

It is expected that the successful firm will be the auditors of the Town of South Bruce Peninsula for a period of five (5) years, subject to the performance of the audit firm.

During the term of the engagement, the auditor's performance will be evaluated based on the following criteria:

2.2.1 Adherence to Proposed Fees

It is expected that the successful candidate will adhere to the fee quote. In the event that a change is proposed, then it shall be communicated in writing by November 30th of each year.

2.2.2 Persons Assigned to the Audit

For the initial year of the engagement, the persons assigned to the audit should be those originally proposed. Any subsequent changes to audit personnel must be acceptable to the Manager of Financial Services.

2.2.3 Performance in the Manner Proposed

We expect the audit will be carried out in the manner proposed. Any changes in the audit program shall be discussed with the Manager of Financial Services.

2.2.4 Audit Deadlines

It is expected the audit will be completed within the time frames specified in this proposal.

2.3 Requirements and Audit Scope

Commencing with the 2011 fiscal year, the audit shall include the examination of the records and financial statements of the Corporation of the Town of South Bruce Peninsula.

The Financial Statements to include:

- Corporation of the Town of South Bruce Peninsula Financial Statements
- Corporation of the Town of South Bruce Peninsula Trust Funds
- Warton Keppel International Airport Joint Municipal Service Board

Other Requirements include:

- Audit for Elderly Persons Centre
- Audit for Gas Tax

The successful firm will be expected to include all related audit and certification work required by various Provincial ministries requiring audit opinions or certificates from the external auditors.

The responsibilities of the auditors will be limited to the expression of an opinion on the financial statement and will not include accounting work except for physical preparation of the audited financial statements, notes and schedules.

Should any additional non-auditing assignments be required, they shall be discussed and approved separately from the audit of the Town's activities. Town staff will complete the Financial Information Return.

Before October 31st of each year, the Town's auditors shall meet with the Manager of Financial Services to discuss and agree on:

- Schedule for completion and audit of the financial statements for the current year,
- A list of the necessary schedules, working papers analysis and other information to be prepared by Town staff.

2.4 Systems & Procedures Review

As part of the annual audit, a systems and procedures review shall be undertaken by the auditors, and shall define, confirm and test the various methods used by the Town to obtain, record, validate, confirm and communicate information in its accounting systems. The review should include testing of computer processing and systems controls as well as internal controls in Towns operations.

Any concerns identified by the auditors as part of this review will be communicated to the Manager of Financial Services during the review process and a report containing recommendations shall be provided by November 30th of each year.

2.5 Qualified Financial Statements

The auditors shall immediately upon discovery of information or conditions, which would otherwise lead to the inclusion of a qualified opinion with respect to the financial statements, inform and fully discuss such matters with the appropriate staff. In addition, the auditors shall, when possible, allow for the Manager of Financial Services to make an investigation, analyze, report and take corrective action as to avoid the inclusion of such qualification.

2.6 Commentary on Financial Statements

The auditors shall provide a written commentary highlighting changes between fiscal years, such as unusual or important items which significantly affected the operating results for the year, changes in the format or the nature of the disclosures in the notes to the financial statements, etc.

2.7 Internal Control Letter

As part of the interim audit, an Internal Control letter will be submitted by the auditors, annually. This letter will address any concerns identified by the auditors during the interim audit regarding key control systems in both manual and automated environments.

2.8 Meetings and Subsequent Assistance

The auditors will attend such meetings as necessary to discuss their work and reports and shall provide such information as requested which will enhance the understanding of members of Council concerning matters pertaining to the annual financial statements.

2.9 Management Letter

A management letter will be prepared by the auditors and submitted to the Manager of Financial Services and the Coordinator of Revenue and Information Systems, in draft form, at the same time the draft financial statements are completed, conveying concerns relative to the internal accounting, operating controls and/or other matters of material importance with respect to the Town's operations. The auditors shall also provide recommendations as to such corrective actions as may be required and be prepared to provide advice and assistance with regard to implementation if required to do so.

The auditors shall meet with the Manager of Financial Services to discuss the comments. Following agreement as to the factual accuracy of the observations, a revised management letter (if necessary) shall be submitted to Council together with appropriate staff responses. The management letter is a public document.

2.10 Confidentiality

The successful auditor shall not at any time before, during or after the completion of the engagement divulge any confidential information communicated to or acquired by the auditor or disclosed by the Town in the course of carrying out the engagement. No such information shall be used by the auditor on any other project without the prior written approval of the Town.

2.11 Evaluation Process

Proposals will be evaluated by the Manager of Financial Services and the Coordinator of Revenue and Information Systems with a recommendation prepared for Council's consideration on October 18th, 2011.

During the evaluation process, the Town reserves the right, where it may serve the Town's best interest, to request additional information or clarification from proposers, or to allow corrections or omissions.

Depending on the responses, the Manager of Financial Services and the Coordinator of Revenue and IT may conduct a short listing process in order to recommend a limited number of firms to make an oral presentation to Council on October 4th, 2011, if deemed necessary.

2.12 Decision

It is expected that the recommendation for the selection of a firm will be presented to Council at the meeting to be held on October 18th, 2011. It is also expected that Council will accept the recommendation on October 18th, 2011 by resolution and an appointment bylaw prepared and adopted before the end of the year.

2.13 Evaluation Criteria

The following criteria will be used for evaluating the Proposals. The Town reserves the right to shortlist firms for further evaluation and interviews that may alter the final scoring results. Proposals will be scored based on meeting or exceeding the expectation of the established evaluation criteria.

Item	Evaluation Criteria: Proposals will be based on meeting or exceeding the expectation of the established evaluation criteria and weighting.	Weight Factor
1	Firm Technical Qualifications and Approach	5
2	Audit Personnel Technical Qualifications	5
3.	Proposed Timeline	5
4.	Fees and Expenses	5

Note: The weighting factor indicates the relative importance of each particular criteria starting at 1 for minimal influence up to five (5) for increasing influence.

3.0 FINANCIAL PROPOSAL

- 3.1 Respondent shall provide a **firm cost** to complete the Audit, including all professional fees and disbursements. Additionally, provide the hourly rates, which accompany the level of effort, by individual team members.
- 3.2 Proposals shall specify the basis of the fee for audit services that represents an upset cost to the Town.
- 3.3 The Proposal must confirm that the proponent will not undertake any work, which they believe, is beyond the terms of reference and their written Proposal for the Audit without the prior written authorization from the Town.
- 3.4 The Proposal shall indicate the proponent's staff identified in the proposal and their respective roles shall not be altered unless written authorization is obtained from the Town.
- 3.5 Proposals shall remain valid and open for acceptance by the Town for a period of ninety (90) calendar days following the due date for receipt of Proposals.
- 3.6 It is the Proponent's responsibility to verify the extent of work required under this Engagement. No allowances will be made for the Proponent failing to do so. Any item not specifically mentioned in the specifications but implied or required to complete the Engagement will be considered to be included in the total price.
- 3.7 The Proponent shall carefully consider any and all work that may be necessary to complete this Engagement, including sub-proponents and disbursements, and shall allow for the cost of such work during preparation of their financial proposal. The Proponent is advised that the Town will not approve any payment beyond the upset limit unless the Proponent is required to do work which clearly could not have been anticipated during preparation of their proposal, which work is approved in writing by the Town.
- 3.8 The Proponent offers to provide the services detailed herein in accordance with the complete RFP FS01-11, and as further detailed in the Proponent's Proposal, to the acceptance of the Town for the following Firm Total Price. HST must be shown as a separate item:

Acknowledgement to Receipts of Addenda (if applicable)

This will acknowledge receipt of the following addenda and, that the proposed pricing quoted include the provisions set out in such addenda.

ADDENDUM # _____

Audit Fees (including trust funds)	\$ _____
Wiarthon Keppel International Airport	\$ _____
Elderly Persons Centre	\$ _____
Gas Tax	\$ _____
Disbursements	\$ _____
HST	\$ _____
Firm Total Price (all inclusive, no exceptions)	\$ _____

Signing Officer's Signature: _____

Name of Signing Officer: _____

Position of Signing Officer: _____

Name of Firm: _____

Declared by me this _____ day of _____ 2011.



4.0 PROPONENT'S DECLARATION

We certify that:

- a) The party executing this document is authorized to sign the same.
- b) To the best of my/our knowledge and belief the information provided in our Proposal submission is correct.
- c) Except as expressly and specifically permitted in the instructions to proponents, no Proponent shall have any claim for any compensation of any kind whatsoever, as a result of participating in this Proposal process, and by submitting a Proposal each Proponent shall be deemed to have agreed that it has no such claim.
- d) To the best of my/our knowledge and belief our proposal submission is made without any connection, comparison of figures or arrangement with or knowledge of any other corporation, firm or person submitting a bid for the same work and is in all respects fair and without collusion or fraud.
- e) To the best of my/our knowledge and belief no member of Town Council, Committees and no officer or employee of the Town of South Bruce Peninsula is, will be, or has, become interested, directly or indirectly, as a contracting party, partner, stockholder, surety or otherwise in, or in the performance of this engagement, or in the supplies, work, or business to which it relates, or in any portion of the profits thereof, or in any of the money to be derived there from.
- f) My/Our proposal submission will remain open for acceptance for a period of 90 (NINETY) business days after opening of the Proposals and the Town of South Bruce Peninsula may at any time within this period accept our proposal submission.
- g) To the best of my/our knowledge and belief there is not nor was there any actual or perceived unfair advantage or conflict of interest in our bid submission or our performing of or observing the contractual obligations of the proponent as set out in the contract.
- h) I/We agree if awarded the engagement that I/we will supply at the time of issue or my execution of the contract, at my/our expense, a copy of our letter of incorporation, certificate of corporate status, or business registration.
- i) The Proponent must state whether the proponent is a corporation, person, partnership, consortium, sole proprietorship or other legally recognized entity.
- j) If the Proponent is a corporation, partnership, consortium, sole proprietorship, or joint venture, the Proponent must state the Proponent's legal name and any other names under which the Proponent carries on business.



Name of Firm: _____

Signing Officer's
Signature: _____

Declared by me this _____ day of _____ 2011.